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**AUSTRALIAN
STATISTICS
ADVISORY
COUNCIL**

**Annual Report
1982-83**

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COUNCIL**

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Australian Government Publishing Service
Canberra 1983

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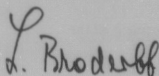
ISSN 0155-0780

Printed by Canberra Reprographics Pty Limited,
119 Wollongong St, Fyshwick, A.C.T. 2609

The Honourable Paul Keating, M.P.
Treasurer of the Commonwealth of Australia

I have pleasure in submitting the Report of the Australian Statistics Advisory Council for the year ended 30 June 1983.

The Report outlines the work undertaken by the Council and is submitted to you for presentation to Parliament under section 24(2) of the *Australian Bureau of Statistics Act 1975*.

A handwritten signature in dark ink, appearing to read 'L. Brodrigg'. The signature is fluid and cursive, with a large initial 'L'.

L. A. BRODRIGB
Chairman

22 August 1983

MEMBERSHIP OF COUNCIL, 30 JUNE 1983

		Date first Appointed
Dr L.A. Brodribb, AM	Chairman (as from 3.8.81)	14.1.77
Mr R.J. Cameron, CB	Australian Statistician (ex officio)	
Mrs Y.J. Bain	Vice President, National Council of Women of Queensland	14.1.80
Prof. R.J. Blandy	Professor of Economics and Director, Institute of Labour Studies, Flinders University	17.3.83
Mr W. Boetcher	Primary Industry Association of Western Australia	14.1.80
Dr N.R. Conn	Under Treasurer, Department of the Treasury, Northern Territory	1.11.81
Mr W.J.C. Cushing	Director, Economic and Financial Evaluation Division, Department of the Premier and Cabinet, Victoria	17.3.83
Mr E.A. Evans	First Assistant Secretary, Department of the Treasury	11.10.81
Mr P.H. Goddard	Assistant Under Treasurer, Department of the Treasury, Tasmania	1.2.82
Mr R.E. Heasman	General Manager, TNT Australia	17.3.83
Prof. M.S.T. Hobbs	Associate Professor of Social and Preventive Medicine, University of Western Australia	14.1.77
Dr P.D. Jonson	Chief Manager, Research Department, Reserve Bank of Australia	1.2.82
Mr J.D.S. Macleod	Chief Economist, CRA Ltd	17.3.83
Mr N. Oakes	Secretary and Comptroller of Accounts, The Treasury, New South Wales	14.1.77
Mr R.N. Overall	Research Officer, Australian Council of Trade Unions	10.7.79
Mr L.G. Pitt	Commissioner, Department of the Public Service Board, Queensland	11.10.81
Mr V.A. Prosser	Executive Director, Institute of Chartered Accountants	17.3.83
Mr R.J. Rechner	Deputy Managing Director, Corporate Services, The Myer Emporium Ltd	4.8.77
Mrs K.G. Sanderson	Director, Policy and Research Division, Treasury Department, Western Australia	1.10.82
Mr A.M. Smith	Director, Economics Unit, Department of the Premier and Cabinet, South Australia	14.1.77
Mr D.I. Stanton	Acting First Assistant Director-General, Department of Social Security	1.11.81
Mr N.R. Stevens	First Assistant Secretary, Department of the Prime Minister and Cabinet	1.7.82

Changes in membership since 30 June 1982

July 1982	Mr N.R. Stevens appointed to succeed Dr M.S. Keating
October 1982	Mrs K.G. Sanderson appointed to succeed Mr R.G. Bowe
November 1982	Mr J.O. Llewellyn resigned
March 1983	Mr W.J.C. Cushing appointed to succeed Mr D.J. Delaney
	Prof. R.J. Blandy appointed
	Mr R.E. Heasman appointed
	Mr J.D.S. Macleod appointed
	Mr V.A. Prosser appointed
	Mr P.O. Miller retired
May 1983	Mr G.D. Allen resigned
June 1983	Dr N.R. Conn resigned

Note: In this Report, after the first reference, the Australian Bureau of Statistics is referred to as the ABS or the Bureau, and the Australian Statistics Advisory Council as ASAC or the Council.

INTRODUCTION

The Australian Statistics Advisory Council was established by the *Australian Bureau of Statistics Act 1975*.

This is the seventh Annual Report of the Council, and is made in accordance with section 24(2) of the Act which provides that: 'the Council shall, as soon as practicable after 30 June in each year, prepare and submit to the Minister, for presentation to the Parliament, a report relating to matters connected with the operation of this Act'.

Under section 18(1) of the *Australian Bureau of Statistics Act 1975* the Council is to advise the Minister and the Statistician on:

- (a) the improvement, extension and co-ordination of statistical services provided for public purposes in Australia;
- (b) annual and longer term priorities and programs of work that should be adopted in relation to major aspects of the provision of those statistical services; and
- (c) any other matters relating generally to those statistical services'.

The Act enables the Minister or the Statistician to seek the advice of the Council on these matters. The Council also offers advice on these matters to the Minister or the Statistician when it considers it appropriate to do so.

The Act provides that the Council shall consist of a part-time Chairman, the Australian Statistician (ex officio), and between ten and twenty-two part-time members, including one nominee of each State Premier. The Chairman and members are appointed by the responsible Minister—currently the Treasurer—for periods of five years and up to three years respectively. They are eligible for reappointment.

The Chairman receives an annual fee, set by the Remuneration Tribunal, and members are reimbursed their travel costs, where applicable. Expenditure during 1982-83 totalled \$28 959.

Secretariat and administrative support for the Council's activities are provided by the ABS. The secretary of the Council is the Assistant Statistician, Co-ordination Branch, whose address is P.O. Box 10, Belconnen, 2616 (telephone 525256).

SUMMARY OF THE YEAR'S ACTIVITIES

During 1982-83 the Council met on 7 July 1982, 10 November 1982 and 5 May 1983 to consider a wide range of topics. This report comments on the significant items.

ABS work program, 1983-86

Council considered the proposed ABS forward work program, staff estimates and resource requirements for 1983-86. It also kept under review work included in the 1982-85 forward work program.

Council found that the scope for introducing new work or extensions to existing work is limited because of continued constraints on staff and finance, the commitments arising from the existing work program and the conversion of data processing systems. Nevertheless, during 1983-86 a number of large, periodic economic collections will be conducted and a sustained program of household surveys will be undertaken.

Council considered the various proposals vying for a place in the forward work program. Particular attention was given to the relative priority of proposals to introduce the following new collections and activities:

- . Expenditure overseas by Australian travellers.
- . Pay periodicity.
- . Supplementary input/output data for the manufacturing sector.
- . Development of the Australian Standard Classification of Occupations.

Council also reviewed the following collections for which there was a recognised case but which had not been accommodated in the immediate forward work program:

- . Extension of the quarterly construction (other than building) collection to include the government sector.
- . Indebtedness of Commonwealth and State governments and local authorities.
- . Annual collection of the distribution and composition of earnings to replace the existing biennial collection.
- . Labour turnover.

Council recognised that conflicting arguments existed for inclusion or exclusion of these (mainly minor) collections and activities, and that no clear cut case could be mounted either way. It requested the Statistician, before finalising the program to be submitted to the Minister, to give careful consideration to the points stressed by Council members.

Quality of statistics

In view of the continuing efforts of the ABS to maintain its range of existing statistics, while at the same time undertaking new work in the face of constraints on resources, Council again expressed concern about the possibility of the quality of statistics being jeopardised.

Regarding the scope for discontinuing more specialised, minor collections in the interests of devoting more resources to key collections, Council acknowledged that internal and external reviews in recent years had left few if any collections which would not meet with strong opposition if discontinued. Collections which suggested themselves as being of lower priority accounted for resources so small as hardly to assist other collections.

Council remains of the view that monitoring and maintenance of the quality of statistics should continue to be a prime objective of the ABS. Council recognised dissatisfaction with the quality of one or two series but also that the problems now appear to have been largely overcome. Improvements had been effected in other collections. Council concluded that there was insufficient basis to approach the Minister and Government regarding additional resources on grounds of deterioration in the quality of statistics.

Scope for market processes to influence decisions on statistical priorities

Council consideration of this subject focussed on two issues—the extent and level of charging for ABS publications and other forms of data dissemination, and the extent to which market forces could be substituted for, or be used to supplement, present processes of setting statistical priorities.

Council was aware of ABS policy of charging for publications of 25 pages or more, and issuing one or two copies of all publications free to government agencies and certain other organisations. While there was some support for pricing more publications and for raising prices, a more widely held view was that, in the public interest, a certain basic level of statistics on all subjects should be freely available. Beyond that level statistical output of greater detail and complexity should be charged for.

On balance, Council agreed that the limited free issue of publications should continue, that the threshold between unpriced and priced publications was appropriate, that the level of prices should be reviewed annually and that ABS mailing lists should be reviewed periodically. Council also noted that the ABS charged for dissemination of data in forms other than printed publications and for special analyses of data.

On the broader issue of statistical priority setting, Council found that the apparent attraction of applying the 'user-pays' principle involved considerable practical problems and complications relating to such issues as identification of discrete groups of users of a particular statistical series, claims to proprietary rights over data, and the application of the compulsion and confidentiality provisions of the *Census and Statistics Act 1905*. It also questioned whether ability to pay by special interest groups, or by Commonwealth and State departments which are major users of statistics, was the soundest basis for determining priorities for official statistics.

In the light of these and other factors, the overall view which emerged from Council deliberations was that the scope for market processes to influence decisions on statistical priorities was very limited. The ABS should continue to pay close attention to costs when it decides on methods of collection, processing and dissemination.

Forms of data dissemination

At two meetings during the year Council considered ABS practices and planned developments regarding the various forms in which its data are disseminated, particularly those developments involving computer technology, and the future forms of dissemination best suited to the needs of users. It noted that the ABS released a great deal of data in the form of magnetic tape, microfiche, and special computer tabulations, in addition to the traditional statistical publications.

A review of users' requirements revealed a wide diversity of needs. Some users found difficulty in using data provided in the form of microfiche or magnetic tape because they were not equipped, technologically, to use data in these forms. Others found that data in these forms were not convenient for particular purposes. On the other hand, the ABS was under pressure from larger or more sophisticated users not only to extend the more advanced forms of data dissemination, but also to offer assistance in the use of computer based forms of dissemination.

Having regard to the diversity of forms of data dissemination requested, Council recognised that it was unrealistic to expect the ABS to satisfy all requests and recommended that it continue to provide data in forms which would satisfy the main categories of direct users, and would also enable intermediaries in the information industry to manipulate and convert data to meet the needs of specialist users. Council recommended that the ABS should keep abreast of new technology and patterns of usage in the community and develop its forms of dissemination for justified needs as far as its capacity allowed. The dissemination of data in its more traditional form of publications would continue to be needed by many users.

Household expenditure survey

Council maintained a keen interest in the 1984 Household Expenditure Survey and was consulted on a continuing basis as detailed plans were developed. Particular attention was directed to:

- . The range and quality of information to be collected.
- . The size and distribution of the survey sample, with the associated cost and respondent burden implications.
- . The extent to which information will be obtained about categories in the community such as the aged, pensioners, low-income earners, etc.
- . The scope for producing data for regions.
- . The uses made of the survey results.

In Council's view, the survey design now adopted represents a compromise between conflicting considerations, such as:

- . The extent to which users' requests for more detail on sources of income and for income in the previous financial year could be satisfied, as against the ability and willingness of households to provide such information.
- . The balance to be achieved between more detailed statistics relating to particular regions and more detailed data relating to particular categories of households.
- . Users' desire for the number of households in the sample to be increased (in order to reduce standard errors) as against the consequent increase in an already costly survey.

Council accepted the ABS view that some of the data needs expressed by some users were not capable of being met from a sample survey.

Intercensal population estimates

Council considered the intercensal population estimates, the factors affecting intercensal discrepancies and ABS efforts to overcome them. Council recognised the difficulty of obtaining timely or comprehensive data on interstate migration. Council recommended that the ABS continue to monitor carefully the intercensal population estimates to ensure their optimum accuracy.

The population censuses of 1981 and 1986

Following its participation in earlier stages of development of the 1981 Population Census, Council considered reports on the processing of data and the release of results in the form of publications, microfiche and magnetic tape.

It noted the decision to make slight random adjustments to data in the more detailed tabulations to avoid the risk of releasing identifiable information. These adjustments allow for the output of detailed data while protecting confidentiality.

Council welcomed the film produced on census processing, as a follow-up to an earlier film on census collection, and encouraged the use of such films to enhance public understanding of the census.

Council was briefed on preparations for the 1986 Population Census and noted in particular the establishment of a committee to investigate ways in which more comprehensive information on the ethnic background of Australia's population could be obtained in the 1986 Census.

General

Council considered the draft of an Information Paper to be released by the ABS outlining the results of the review of the Consumer Price Index (CPI) and explaining the revised basis of the Index. It discussed the problems associated with the exclusion of housing mortgage interest and consumer credit charges from the CPI, and suggested that better public understanding of this decision might be achieved by including in the paper an explanation of the conceptual problems associated with these expenditure items. Council welcomed the introduction of a CPI for Darwin.

Council commented favourably on the value of the statistical consultative service provided by the ABS to Commonwealth and State bodies and other users.

A paper on the factors influencing sample size and distribution in ABS surveys was considered. Council recommended wider dissemination of the paper in the interests of promoting greater understanding of the subject.

Council discussed a report on the progress of ABS computer re-equipment to date, developments during the commissioning of new system hardware and software, and the direction of future plans. It noted that staff reductions in computer operations had been achieved through natural wastage and redeployment within the ABS, and that consultation between management and staff associations had contributed to achieving this in a planned fashion.

The Australian Statistician reported on proceedings at the UN Statistical Commission meeting which he attended in New York in March 1983 and on his visits to statistical agencies in the United States and Canada. Council supported the Statistician's view that Australian membership of the UN Statistical Commission was useful for keeping in touch with and influencing statistical developments, and as a benchmark against which to measure ABS progress and directions. Council also gained a valuable insight into some aspects of the organisation and activities of the statistical agencies in the United States and Canada.

Following its previous involvement in amendments to the *Census and Statistics Act* 1905, Council noted that the amended legislation came into force on 1 March 1983.

No requests for access to documents have been received by Council since the *Freedom of Information Act* 1982 came into operation on 1 December 1982.

Among the matters which Council will pursue in 1983-84 are the 1986 Population Census; statistics on the economy, the labour market, transport activity and education; foreign participation studies; the selection of topics for the household surveys program; and public relations.

The Council wishes to acknowledge the help received from the Statistician and his officers in providing detailed information, and the courtesy and efficiency with which secretariat and other services have been made available.

